Nobody's happy in road fund fight

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RALEIGH -- Speakers from across North Carolina found little to like Tuesday in the "equity formula" used to distribute most state road-building money, but small-town advocates fretted that any change would make things worse for rural areas.

"There are a lot more losers than there are winners, but it isn't because of the equity formula," said Craig Hughes of the High Country Rural Planning Organization, which serves mountain counties in the state's northeast corner. "We all need more funding."

A House-Senate transportation oversight committee heard ideas from 16 civic and political leaders about possible changes to the formula. The committee was asked to consider improvements but is not expected to recommend big changes in the General Assembly this year.

The formula was adopted in 1989 as part of a compromise funding plan to pave rural dirt roads, surround big cities with freeway loops and link nearly every town in a web of four-lane highways.

Areas with more residents get more dollars, but big-city speakers complained that the formula ignores urban commuting patterns, air pollution and traffic jams.

"The funding definitions were created 20 years ago, when our population looked dramatically different," Durham Mayor Bill Bell said.

Stephen Jackson of the left-leaning N.C. Budget and Tax Center said the state should funnel more money to reducing urban congestion.

"We need to put the money where the traffic is," Jackson said. He also called for local governments to take over the burden of secondary roads. To pay for that, he said, local governments could be empowered to levy fuel and income taxes.

Joseph Coletti of the right-leaning John Locke Foundation warned that fuel taxes are higher in North Carolina than in neighboring states. But he floated the idea of boosting diesel fuel taxes for commercial vehicles.

Rural leaders sought to protect pet projects to improve local highways. But Leigh Woodall of Roxboro said Wake County has hogged Triangle funds, thwarting plans to widen U.S. 501 in Person County.

"Because of the equity formula, not a single dollar has been spent in Person County for a highway construction project since 1987," Woodall said.

Durwood Stephenson, a Smithfield developer, doubted that legislators could find a better way to divide scarce funds.

"The equity formula is equally unfair to us all," Stephenson said.

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